

AGENDA ITEM 4
TABLE 1A - STATUS OF INTERNAL AUDIT PROJECTS
AS OF JUNE 30, 2006

| Item | Description of Audit | Status |
|-------------|--|---------------|
| | Internal Audit Projects | |
| 1 | Enterprise wide decentralized access approval (FY 2004-05) | Complete |
| 2 | Medicare transfer eligibility | Complete |
| 3 | Prime broker (FY 2004-05) | Complete |
| 4 | Lincoln Plaza building manager fiscal accountability (FY 2004-05) | Complete |
| 5 | Triennial review of contract activities (FY 2004-05) | Complete |
| 6 | Financial Integrity and State Manager's Accountability Act (SAM 20060) | Complete |
| 7 | PeopleSoft financial system integrated audit | Complete |
| 8 | Absolute Return Strategy | Complete |
| 9 | Controls over the benefit adjustment process | Complete |
| 10 | Securities lending – collateral management | Complete |
| 11 | Coordination of annual CalPERS financial statement audit | Complete |
| 12 | Information Systems Security and Confidentiality Acknowledgement compliance review | Complete |
| 13 | Headquarters space planning and move | Complete |
| 14 | System architecture management | Complete |
| 15 | Legal fees for outside counsel | Complete |
| 16 | Member election | Complete |
| 17 | Pension System Resumption project | Complete |
| 18 | Annual review of software licensing (SAM 4846) | Complete |

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| 19 | Enterprise-wide risk assessment and biennial audit plan | Complete |
| 20 | Coordination of management letter from external auditor | Complete |
| 21 | Review and analysis of CalPERS financial statements | Complete |
| 22 | Coordination of audit of Savings Plus deferred compensation program | Complete |
| 23 | Quarterly status reporting to the Board of Administration | Complete |
| 24 | Coordination of contract real estate compliance audits | Complete |
| 1 | HIPAA compliance for healthcare | IP Draft |
| 2 | Alternative investment management external partner reviews | IP Draft |
| 3 | Blue Card program – PPO program for out of state | IP Draft |
| 4 | UNIX operating system and security | IP Draft |
| 5 | Actuarial valuation services | IP Draft |
| 6 | State Street client specific | IP Draft |
| 1 | Real estate accounting | *Deferred |
| 2 | Real estate investment program | *Deferred |
| 3 | Alternate retirement plan and service credit costing | *Deferred |
| 4 | Contribution reporting – member and employer | *Deferred |
| 5 | Disability application and approvals | *Deferred |
| 6 | Health enrollment and premium billing of contracted agencies | *Deferred |
| 7 | Pension System Resumption project accounting | *Deferred |

* Projects were deferred based on available resources and included in annual recalibration of audit plan

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|-------------|-----------------------------|---------------|
| 8 | System security review | *Deferred |
| 9 | Online retirement estimate | *Deferred |

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| | Consulting Projects | |
| 1 | Data center move to R Street | Complete |
| 2 | Information Security Committee | Complete |
| 3 | Business Recovery Advisory Committee and disaster recovery relocation | Complete |
| 4 | Headquarters expansion project | Complete |
| 5 | EMBARC | Complete |

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| | Audit Follow-Up | |
| 1 | Annual monitoring and resolving past audit findings | Complete |
| 1 | Real estate compliance follow-up | Complete |

* Projects were deferred based on available resources and included in annual recalibration of audit plan